

# Facilitating Economic Integration in Asia-Pacific through Aid for Trade



23 April 2014 // Tunis  
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# ODA finally on the rebound

Globally development aid rose by 6.1% in real terms in 2013 to reach the highest level ever recorded, despite continued pressure on budgets in OECD countries since the global economic crisis.

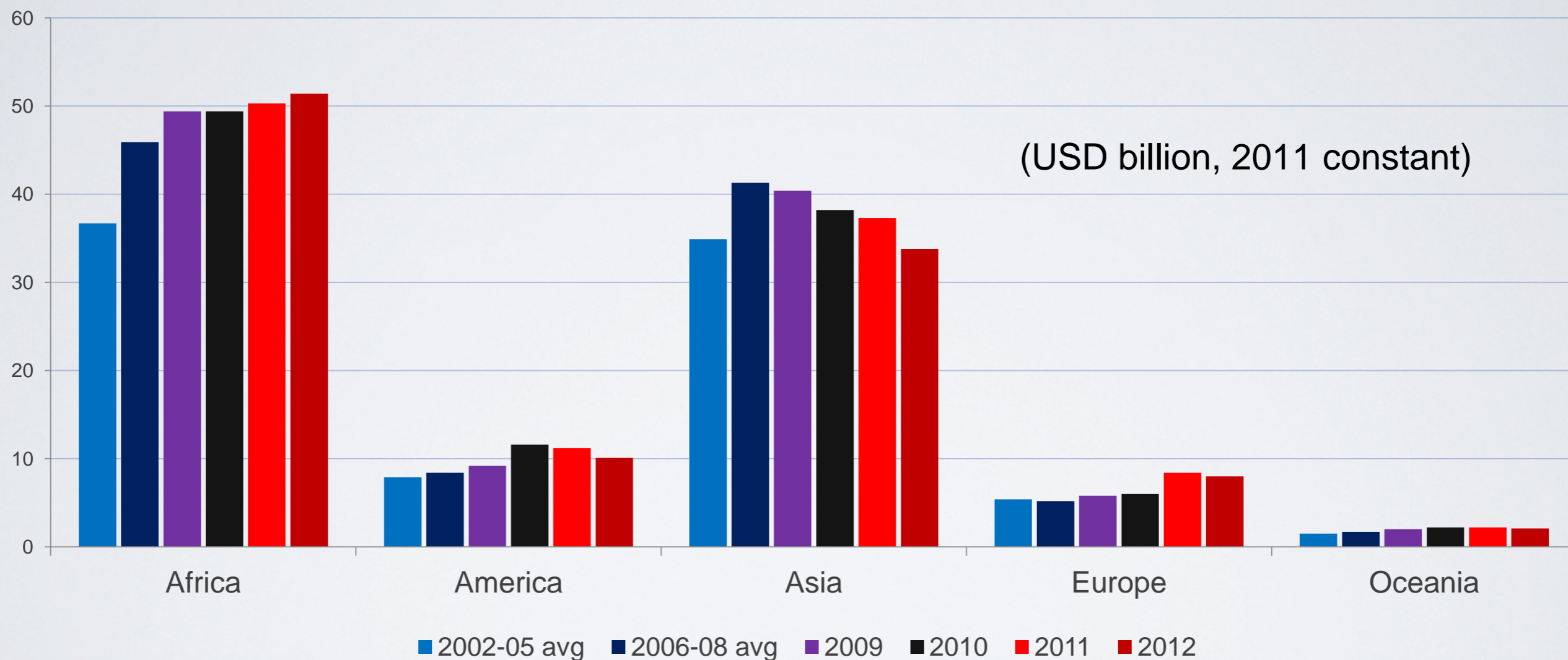
Source: <http://www.oecd.org/development/aid-to-developing-countries-rebounds-in-2013-to-reach-an-all-time-high.htm>





# Refresher: Aid for Trade - by regions

## Aid for trade disbursements by region

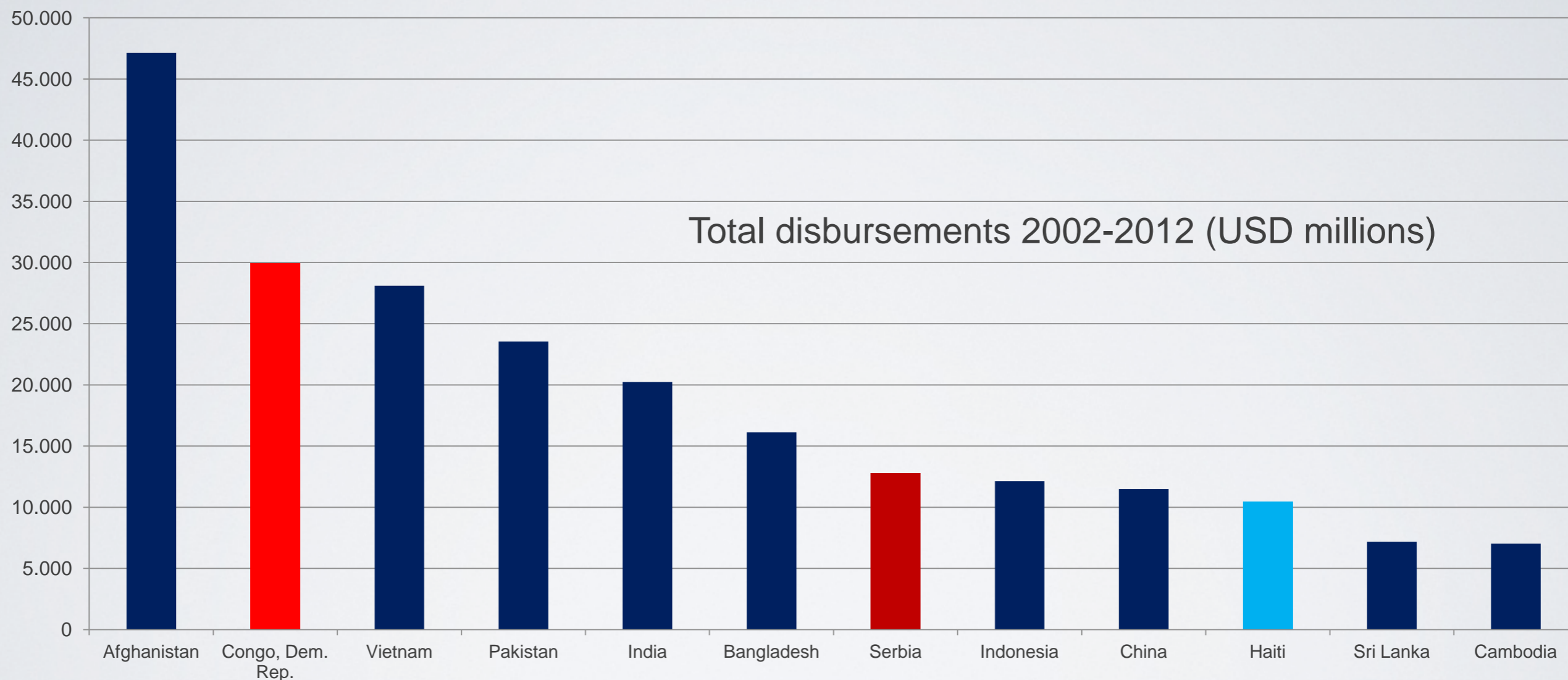


Source: OECD QWIDS Database



# Refresher: Aid for Trade – by country

Aid for trade disbursements by biggest recipients



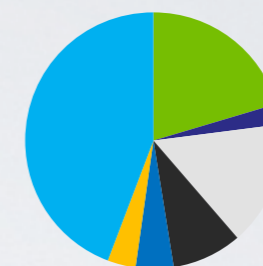
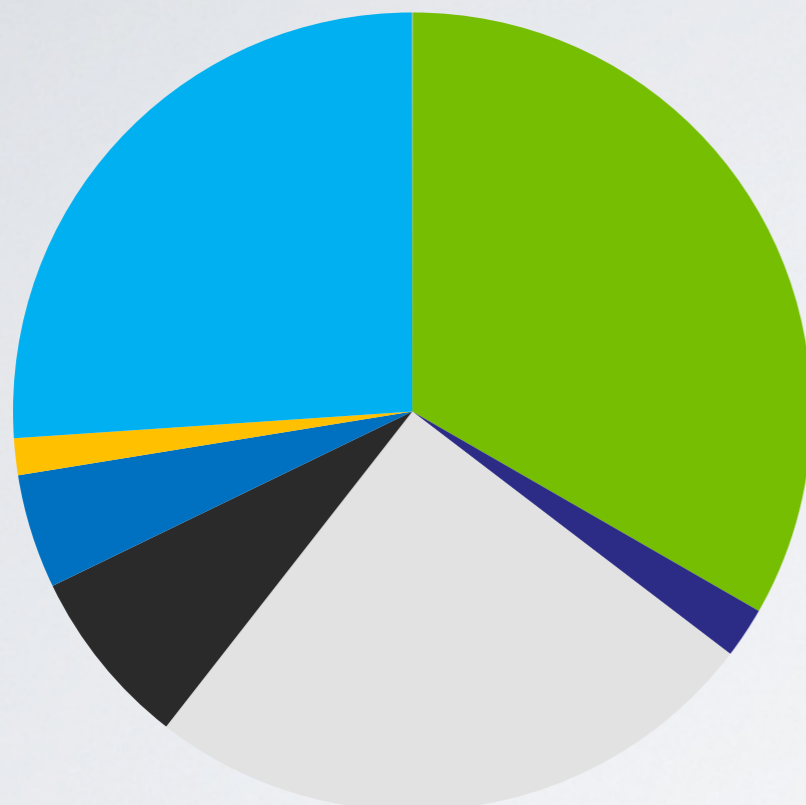
Source: OECD QWIDS Database



# Refresher: Aid for Trade – by sector

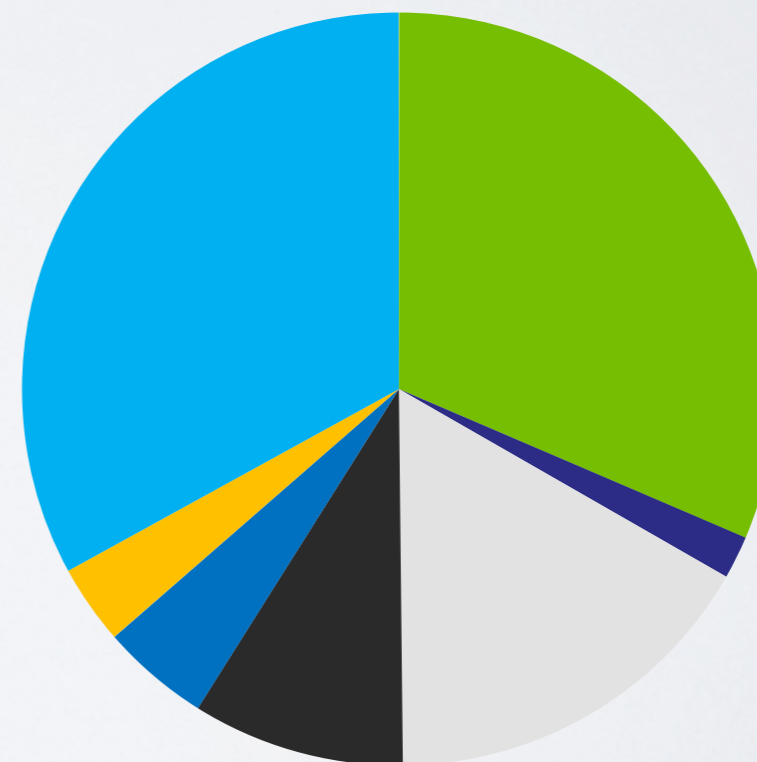
Asia

America

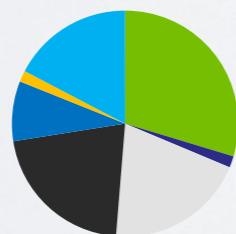


- Transport & Storage
- Communications
- Energy
- Banking & Financial Services
- Business & Other Services
- Trade Policies & Regulations
- Production and Others

Africa



Europe



Source: OECD QWIDS Database

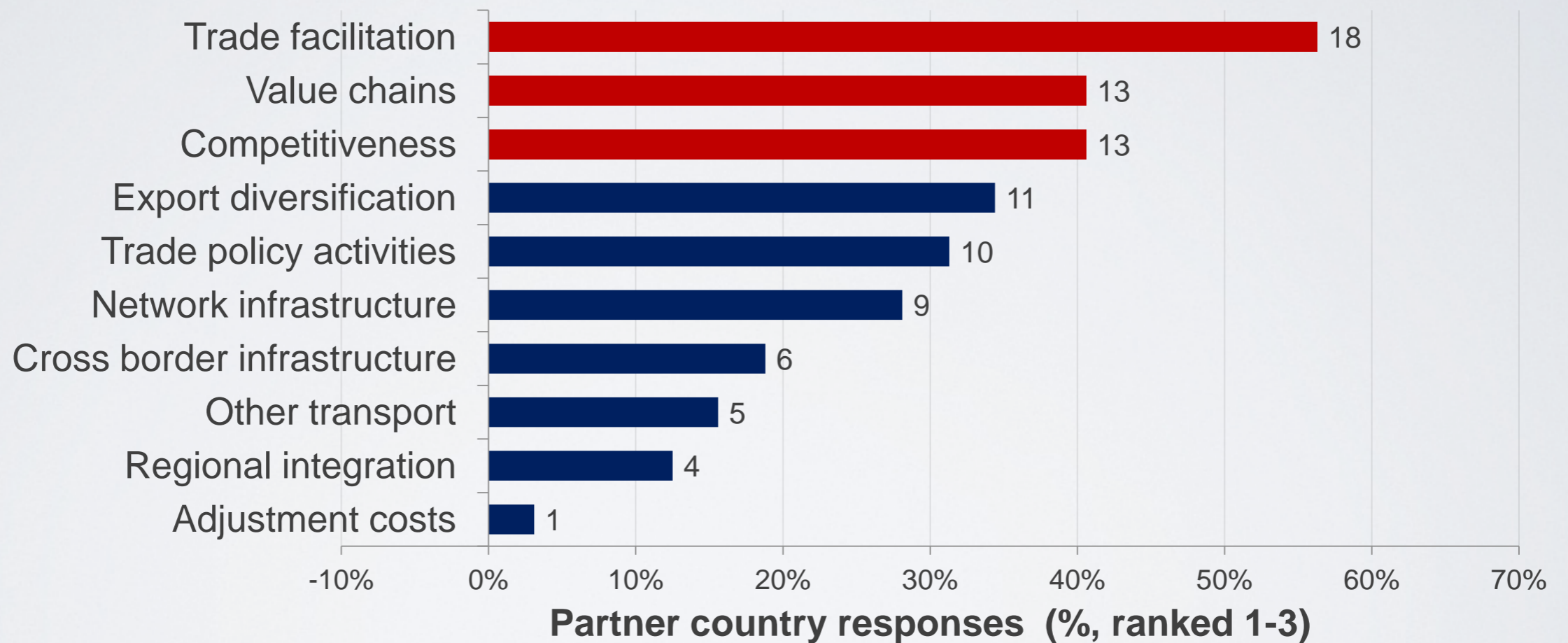
Note on the data: Regional grouping used in OECD data differs from official United Nations regional groups





# Refresher: Aid for Trade – priorities

New aid for trade priorities for partner countries



Source: OECD/WTO Questionnaire 2013



# The DA7 project in the Asia-Pacific

During the implementation of the project ESCAP has aimed at:

- Advocating for Aid for Trade in public dialogue
- Support the integration of Asia-Pacific developing and especially LDCs in the global economy
- Assist in building regional and local capacity to manage Aid for Trade projects
- Facilitate the development of regional networks for trade and development

**Implementation modalities:**

- Capacity building workshops in Kathmandu and Bangkok
- Facilitating research in six Asia-Pacific countries
- Advocacy services for countries such as Mongolia



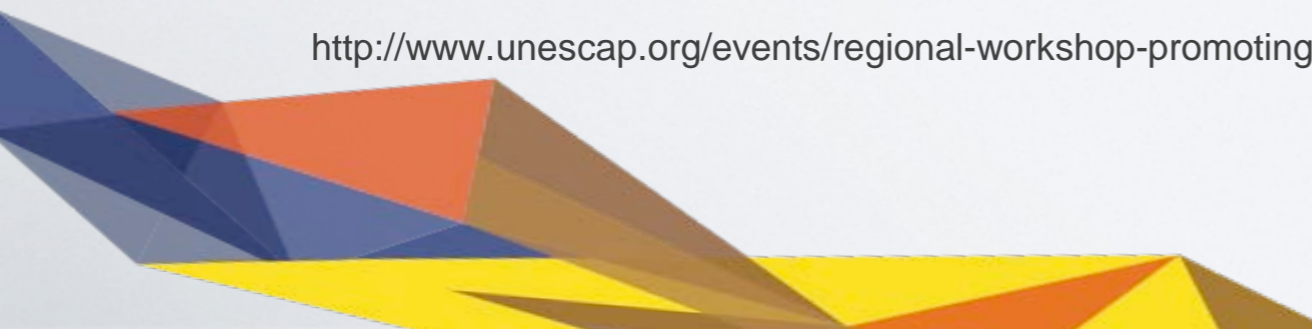


# Nepal regional workshop, April 2013

Organized by ESCAP and South-Asia Watch on Trade, Economics and the Environment (SAWTEE) in Kathmandu involving experts from the WTO and the OECD.

The sessions tackled issues such as:

- Promotion of intraregional trade, investment and connectivity through bankable Aid for Trade projects
- Trade-related developmental needs of Asia-Pacific countries
- Obstacles and constraints to trade integration and South-South cooperation
- The design of bankable projects
- Measurement and evaluation of impacts of Aid for Trade projects







# Expert Group Meeting, November 2013

Hosted by ESCAP in Bangkok, Thailand, the meeting brought together various stakeholders in the form of national governments, the private sector, academic and donor organizations.

Issues discussed included:

- The experiences of Myanmar in integrating into regional trade
- The effectiveness of Aid for Trade
- Discussions and the sharing of ideas with regards to developing an analytical framework for assessing Aid for Trade projects

<http://www.unescap.org/events/aid-trade-regional-expert-dialogue>





# Research: case studies

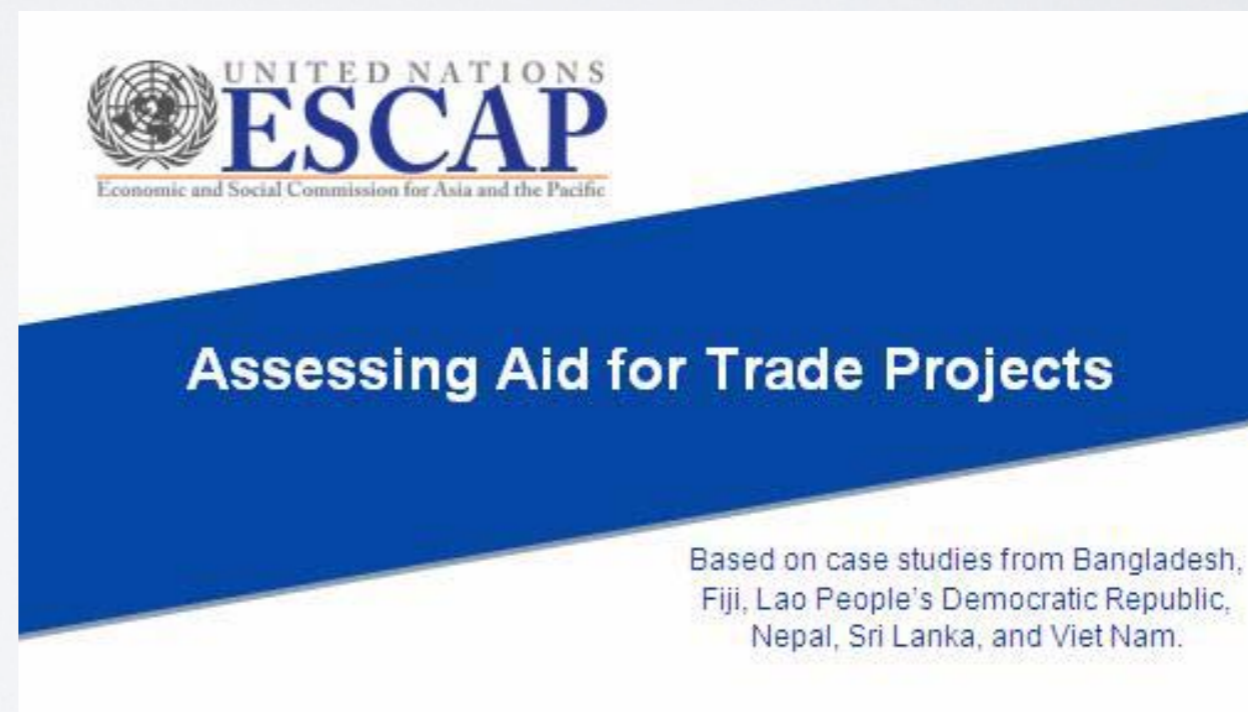
- Forthcoming in-depth country case studies building upon the knowledge shared at the Expert dialogue will present a detailed look at the projects being undertaken in the Asia-Pacific region
- Country case studies are being conducted in:
  - Bangladesh
  - Fiji
  - Lao People's Democratic Republic
  - Nepal
  - Sri Lanka
  - Viet Nam





# Handbook on Assessment Methodologies

Building upon the experiences and knowledge gathered from all the case studies, a handbook on the methodologies for assessing the trade outcomes and development impact of aid for trade projects is forthcoming.





# Future work

## Towards Regional Aid for Trade

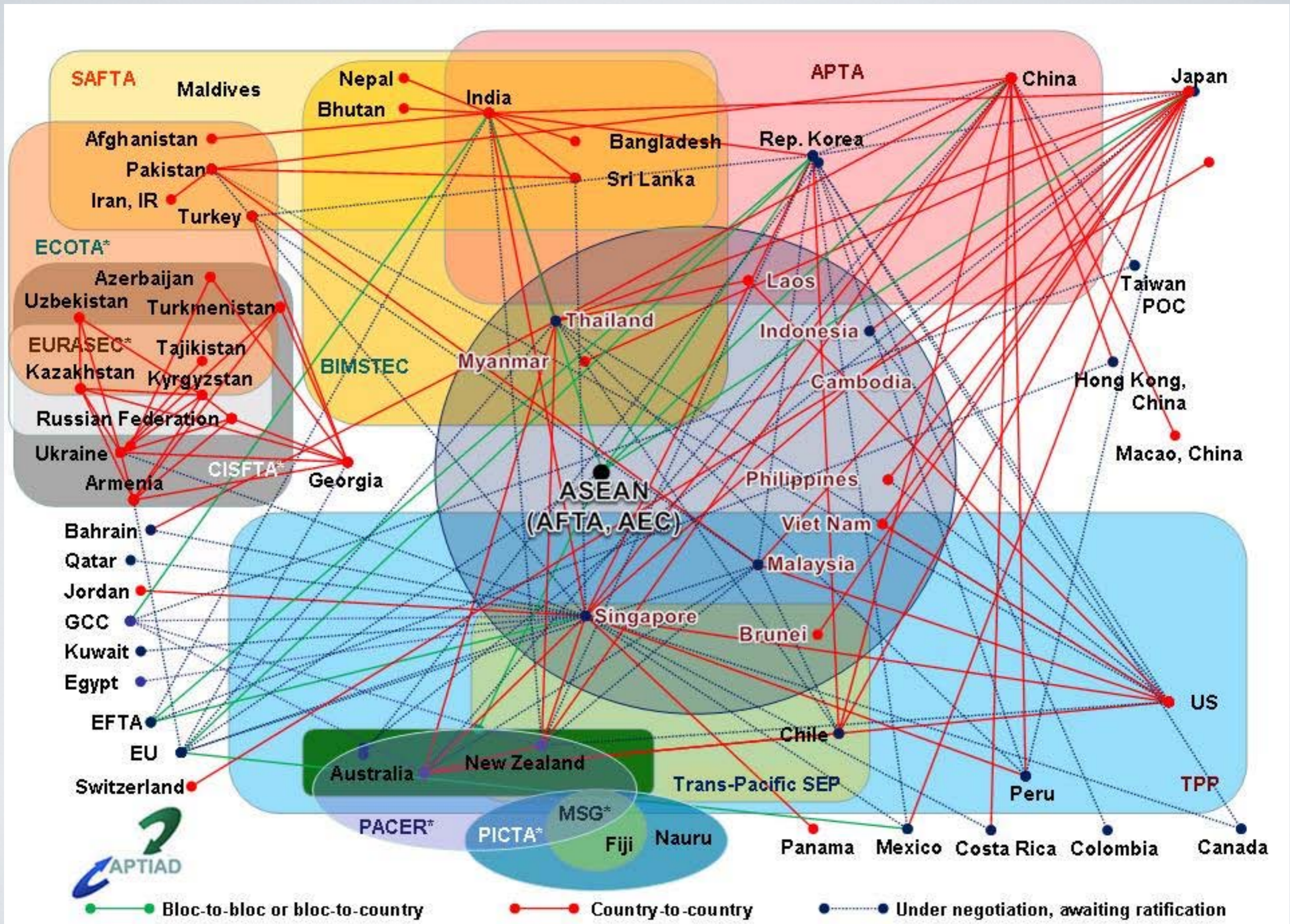
- Increasing the scale and scope of projects to involve more countries (or regional blocks- [ASEAN?](#))
- Build links between intraregional members to create synergies

## Expanding donor networks

- To complement the work of existing partner donor organizations
- To increase the flow of AfT to more countries to facilitate trade growth

## Increasing the availability of reliable and relevant data

- Increasing effectiveness and efficiency of AfT requires benchmarking, modelling, analysis and surveying – i.e. access to data
- Building upon:
  - AfT Dashboard
  - ESCAP- World Bank Trade cost database
  - ARTNeT gravity modeling tool with AfT database
  - APTIR trade performance indicators
  - And assessing the need for new databases and modelling



\* Not all members shown

## Rules of Origin in ASEAN +1 FTAs

FTA	Wholly Obtained	General Rules		Product Specific Rules (PSRs)		
		CTC	RVC	CTC	RVC	Process Crit
1.ATIGA	√	CTH	≥ 40%	√	≥ 40%	√
2.ACFTA	√	x	≥ 40%	√	≥ 40%	√
3.AJCEP	√	CTH	≥ 40%	√	≥ 40%	√
4.AKFTA	√	CTH	≥ 40%	√	≥ 40-60%	√
5.AIFTA	√	CTSH	≥ 35%	x	x	x
6.AANZFTA	√	CTH	≥ 40%	√	≥ 40%	√

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# Self-Certification in ASEAN (ATIGA)

# Challenges for 2015

- i. Participation of non-Participating Member States in the pilot projects (Cambodia, Myanmar, and Viet Nam);**
- ii. Convergence of the Operation Certification Procedure (OCP) of the two pilot projects;**
- iii. Larger number of Certified Exporters to take part in the pilot projects.**
- iv. Modifying the system to suits the needs and convenience of the users**
- v. Inclusion of ASEAN-wide Self-certification in ATIGA, and implement by end of 2015**



Thank you for your attention!

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